

how much the manager received orders out of the chain of command. The manager's disapproval of subordinates was also affected by these out-of-the-chain-of-command orders, over which the manager had no control.

Unionization. Although leader-subordinate relations within an organization would seem to be mediated by whether the subordinates belonged to a strong or weak union or to none at all, few empirical comparisons have been made. One would expect, for example, that arbitrary, capricious, coercive management would be highly constrained if workers had a second route to upward influence via a strong and effective union. It is more likely that such management would result in unionization that, in turn, would reinforce management's rule-bound leadership in place of arbitrariness. A rare empirical study of the effect of unionization on supervisory-subordinate relations within a firm was completed by Hammer and Turk (1985), who collected data from 160 first-line supervisors in 12 sections of a factory with an employee union. The percentage of workers who belonged to the union varied from zero to 82 percent, depending on the section. Regression analyses showed that the "density" of union members in a section contributed uniquely to the section supervisor's emphasis on performance, "going by the book," and sense of a clear authority to discipline. This last result could be explained by the union contract. The supervisors' use of discipline and penalties against subordinates was regulated. It was power granted to the supervisor through negotiations between management and labor, specified in the union contract. Supervisors, abiding by the contract, knew the rights they had both to reward and to punish; so did their unionized subordinates. On the other hand, union stewards, according to E. L. Miller (1966), need to remain mindful of the employees' rights and interests.

Leadership and Organizational Culture

Intertwined with the philosophy, purposes, functions, and structure of the organization is its culture. Pericles identified the four aspects of the culture of Athens as

an organized polity that made it so valuable to its citizenry. First, it was open, democratic, and optimistic about its citizens' individual capabilities. Job assignments and promotions were based on merit, and the individual's dignity was upheld. Everyone was equal before the law. Second, its culture promoted beauty, good taste, and personal satisfaction in home, work, and play. Third, it was a culture of innovation; it provided the models for others to follow. Fourth, it encouraged an alignment of the interests of the individual citizen with those of the state (Clemens & Mayer, 1987).

Contents of an Organizational Culture

Weick (1979) suggested that the primary function of organizations is "sense making." Organizational members develop a set of mutually acceptable ideas and beliefs about what is real, what is important, and how to respond. The culture of an organization is this shared learned pattern of behavior, transmitted from one generation to the next (Deal & Kennedy, 1982). It includes the values that are shared by the members, the heroes who exemplify the organization's values, the rituals that provide for the expressive bonding of members and cultural learning, and the stories that transmit the culture's values and ideas. The contents of a culture that may be studied are listed in Table 26.2.

Two investigations are illustrative. Martin, Feldman, Hatch, and Sitkin (1983) collected three types of stories that members told to assert the distinctiveness of their own organizational impact on how the organizational culture communicates what is to be expected from its leadership. The stories told about (1) whether the big boss was human and, when presented with an opportunity to perform a status-equalizing act, did or did not do so, (2) rule breaking (for instance, a senior manager broke a rule and was confronted by a junior person), and (3) how the boss reacted to mistakes. Rosen (1985) completed an ethnographic study of an advertising agency that demonstrated how the senior management manipulated the language, gestures, and context of a breakfast ritual to ensure acceptance of the goals and practices of the company. This ritual reinforced and reaffirmed the bureaucratic structure of the organization and its capitalistic values.

Table 26.2 Frequently Studied Cultural Forms

<i>Cultural Form</i>	<i>Definition</i>
Rite	Relatively elaborate, dramatic, planned sets of activities that consolidate various forms of cultural expressions into one event, which is carried out through social interactions, usually for the benefit of an audience.
Ceremonial	A system of several rites connected with a single occasion or event.
Ritual	A standardized, detailed set of techniques and behaviors that manage anxieties but seldom produce intended technical consequences that are of practical importance.
Myth	A dramatic narrative of imagined events, usually used to explain the origins or transformations of something. Also, an unquestioned belief about the practical benefits of certain techniques and behaviors that is not supported by demonstrated facts.
Saga	An historical narrative describing the unique accomplishments of a group and its leaders, usually in heroic terms.
Legend	A handed-down narrative of some wonderful event that is based in history but has been embellished with fictional details.
Story	A narrative based on true events—often a combination of truth and fiction.
Folktale	A fictional narrative.
Symbol	Any object, act, event, quality, or relation that serves as a vehicle for conveying meaning, usually by representing another thing.
Language	A particular form or manner in which members of a group use vocal sounds and written signs to convey meanings to each other.
Gesture	A movement of a part of the body used to express meaning.
Physical setting	Those things that surround people physically and provide them with immediate sensory stimuli as they carry out culturally expressive activities.
Artifact	Material objects manufactured by people to facilitate culturally expressive activities.

SOURCE: Adapted from Trice (1984, p. 655).

Jung's (1971) psychology provides a useful fourfold view of widely divergent organizational cultures. These cultures are bureaucracies with sense-thinking managers, matrix organizations with intuitive-thinking leaders, organic organizations with intuitive-feeling leaders, and familiar cultures with sensing-feeling members (Mitroff, 1983).

Assumptions. Basic assumptions about the nature of reality, time, space, human nature, and the environment are taken for granted at a preconscious level by those who are embedded in the organization's culture. There is a greater level of awareness about the interrelated values, and the art, technology, and behavior that emerges is visible but not necessarily "decipherable." It often takes an outsider to understand the cultural connections of the observable products and behavior to the underlying values and preconscious assumptions. Early in its development, an organizational culture is the "glue" that holds the organization together

as a source of identity and distinctive competence. But in an organization's decline, its culture can become a constraint on innovation, since it is focused on the organization's past glories (Schein, 1985).

Normative Values. To describe a particular organization's culture, Kilmann and Saxton (1983) list eight questions that the organizational culture answers: (1) What makes sense; what can be talked about? (2) Who am I; where do I belong? (3) Who rules; how, why, and by what means? (4) What are the unwritten rules of the game for what really counts; how do I stay out of trouble? (5) Why are we here and for what purposes? (6) What is our history, geography, and the structure we build? (7) What are the stories about ourselves and others? and (8) What are our morality and ethics? Are people basically good or evil? The Kilmann-Saxton (1983) cultural-gap survey asks organizational members to describe the strength of their organization's norms. The norms deal with task support, task innovation, so-

cial relationships, and autonomy of individual members all of which are expected to contribute to an organization's performance and satisfaction. Low scores are seen to reflect gaps in the organization's culture that are required for better performance and satisfaction.

To focus more specifically on those aspects of a corporate culture that contribute to organizational excellence, Sashkin (1986, 1988) extracted seven explicit and three implicit core values or beliefs from Peters and Waterman (1982). Included were task-relevant values, such as being the best at what the company does, attending to details in doing a job, superior quality and service, importance of economic growth and profits, and managers as "hands-on doers," not just planners and administrators. Other values were more concerned with relationships: people, as individuals, are important; people in the organization should be innovators and should take risks without feeling that they will be punished if they fail; informality is important to improve the flow of communication throughout the organization; and people should have fun doing their work.

All these values should be made explicit in a recognized organizational philosophy that is developed and supported by those at the top. Sashkin constructed the Organizational Beliefs Questionnaire to measure respondents' estimations of whether others in their organization subscribed to such beliefs as "People in this organization believe in being the very best at what we do." Construct validation was obtained by showing greater variance among rather than within 46 organizations. A total score reflecting the endorsement of values that promote excellence was found to be higher in more effective organizations.

Cultural Transmitters. Kouzes and Posner (1987) emphasized the importance of the leader in transmitting the organization's culture and values. The organization contains a network of "priests," who maintain and bless the values; "storytellers," who watch over the values; and "gossips," who are key transmitters of the culture (Deal & Kennedy, 1982).

The Leader as Culture Builder

The organization's culture derives from its antecedent leadership. It also affects its subsequent leader-subordi-

nate relationships in a variety of ways. Anecdotal evidence and argumentation abound in considering how an organization's leadership influences its culture. For Schein (1985), leadership is critical to the creation and maintenance of culture. Bass (1985a) suggested that while transactional leaders work within their organizational culture, transformational leaders change them. Tichy and Ulrich (1984) thought that the transformational leader needs to understand and realign the organization's culture as a way of providing meaning by making sense of symbols and events.

Hickman and Silva (1984) argued that the two bases of effective organizational performance are strategic thinking and culture building by the leaders. Strategic thinking creates the vision of a firm's future. The vision becomes a reality when the leaders build a culture that is dedicated to the vision. In contrast to transactional leadership, the leaders here are visionary executives who integrate creative insight and sensitivity to "forge the strategy-culture alloy." These leaders combine versatility, focus, and patience to maintain the organization's highly effective performance over the long term.

According to Kiefer and Senge (1984), such leadership pushes for a "metanoic" organization, building on such assumptions as people are inherently good, honest, trustworthy, and purposeful; everyone has a unique contribution to make; and complex problems require local solutions. Leaders who build such cultures need to have personalities with a deep sense of vision and purposefulness. They are aligned around that vision and can balance reason and intuition, as well as empower others (Kiefer, 1986; Senge, 1980). Such leaders display much individualized consideration (Bass, 1985a). They facilitate and teach. They "create" rather than "maintain" and are personally involved with the development of key managers (Senge, 1984, 1986).

For Schein (1985), one is likely to see a constant interplay between culture and leadership. Leaders create the mechanisms for cultural embedding and reinforcement. Cultural norms arise and change because of what leaders tend to focus their attention on, their reactions to crises, their role modeling, and their recruitment strategies. For Schein, the organizational culture is taught by its leadership.

Leadership and Organizational Climate. An important feature of an organization's culture is its climate—the subjective feelings about the organization among those who work within it. The climate directly affects how these persons relate to each other. As might be expected, Kozlowski and Doherty (1989) showed that the quality of leader-subordinate relations was directly related to the satisfaction felt about the organization's climate. Halpin and Croft (1962) found systematic connections among scales measuring different aspects of a school's organizational climate and leadership and the response of teachers. Sheridan and Vredenburg (1978a) showed that the head nurses' consideration and initiation of structure in a hospital could be explained partly by the turnover among staff members and the administrative climate, as measured by an instrument developed by Pritchard and Karasick (1973). J. L. Franklin (1975) examined similar relations in a broader organizational context. Particularly important to an organization's climate are how clear its leaders make the organization's goals to the members and convey a sense that the climate is one in which there is a high degree of trust among its members.

For 78 executives described by 407 subordinates, Bass, Valenzi, Farrow, and Solomon (1975) used stepwise regression to determine that in organizations described as more trusting, more participative leadership behavior was observed. In organizations that the subordinates perceived as having clear goals, the managers were described as more directive, more likely to consult with their subordinates, and more likely to share decision making with the subordinates. In a follow-up with descriptions by over 1,200 subordinates of their superiors' leadership behavior and aspects of the organization, Farrow, Valenzi, and Bass (1980) found that consultation was most frequent when organizational goals were clear and levels of trust were high. Similarly according to Hunt, Osborn, and Schuler (1978), an organization with overall practices that promoted the clarity of jobs and clear standards increased the leaders' supportive behavior toward their subordinates. Again Child and Ellis (1973) concluded that more delegation by the superior was seen if work roles were clear and much discretion was perceived in the organization's climate.

In a survey study of 440 Indian managers from 7 or-

ganizations, Ansari (1988) found that whether the climate was "favorable" or "unfavorable" affected the managers' efforts to influence. If the climate was favorable, participative managers said they were more individually considerate to their subordinates and less likely to try to block or defy their bosses, task-oriented managers said they increased the use of their expertise and reasoning with both their bosses and their subordinates, and bureaucrats said they were more likely to challenge their subordinates and be ingratiating toward their boss. If the climate was unfavorable, participative managers were more likely to use coalition tactics and to manipulate their subordinates and were ingratiating and negotiating with their bosses. The task-oriented managers said they were less defiant toward their bosses, and the bureaucrats said they were more assertive with their subordinates and more transactional and diplomatic with their bosses.

Founders of Organizational Cultures

The creation of much of the organizations' cultures is attributed to their entrepreneurial founders (Pettigrew, 1973; 1979). For example, Schein (1983) noted that a founder creates a culture from a preconceived "cultural paradigm" in his or her head. Then, the founder's and successor's leadership shapes the culture and the mechanisms to restrain it. But Schein and others assumed that a monolithic culture of shared values emerges that is guided and controlled by the founder. Martin, Sitkin, and Boehm's (1985) detailed interview study of a young and growing electronics manufacturing firm in Silicon Valley, California, with 700 employees suggested that the founders' values may conflict to some extent with those of various constituencies in the firm. In this case, although 72 percent of the employees' explanations of the company's origins, quality control, and turnover were in agreement with the founders' interpretations, 19 percent were not.

Some founders, such as Steven Jobs of Apple Computer, who do not have previous leadership and management experience or much formal education, form companies and originate corporate cultures that they must leave to others to manage. However, in general, the facts are otherwise. Among the CEOs of the fastest growing companies in the United States, three-fourths

were founders of their companies, and 83 percent, like Walt Disney of Disney Productions or Ray Kroc of McDonald's, never made plans to retire. They were not just inspired originators; they also had the credentials for long-term tenure. All but 19 percent were college graduates; 46 percent held graduate degrees, mostly in engineering; and half had managerial experience in a Fortune 500 company before founding their own company (Nicholson, 1983).

Founders of Countercultures

John DeLorean and Hyman Rickover are examples of founders of countercultures. Martin and Siehl (1983) described John DeLorean's counterculture, which was built within General Motors in reaction to GM's dominant cultural values of deference to authority, invisibility, and loyalty. The heads of divisions of General Motors (GM), despite some degree of autonomy, were expected to conform closely to GM's dominant values. Deference to authority was expressed, for instance, in the way

subordinates were expected to meet their superiors from out of town at the airport, carry their bags, pay their hotel and meal bills, and chauffeur them around day and night. The higher the status of the superior, the more people would accompany him on the flight and the larger the retinue that would wait at the airport. (p. 57)

DeLorean enraged his boss by failing to meet him at the airport and thereby signaling disrespect for his boss's authority. He also created and recounted stories about the foolish extravagances of subordinates who catered to the whims of visiting VIPs. In the GM culture, invisibility was expressed in such ways as maintaining standardized offices; eating together in the executive dining room; and adopting a uniform dress code of dark suit, white shirt, and blue or black tie. Again, DeLorean violated these rules, for example, in requesting a brighter, more modern and attractive office decor and dressing in a more fashionable but still conservative continental mode. Loyalty in the GM culture was expressed by not voicing criticisms in front of the corporate management. DeLorean invented stories to interpret the costs to GM of "group think" and conformity.

DeLorean's counterculture was an attempt to support the value of productivity instead of deference, of objective measures of performance instead of subjective indicators of conformity, and of independence instead of blind loyalty. But his deviance remained within tolerable limits until he left to found his own company, which had notorious consequences. It remained for Roger Smith, a new CEO, to reshape GM's dominant culture.

Hyman Rickover almost singlehandedly constructed a powerful naval counterestablishment in the Nuclear Reactors Branch of the U.S. Navy (Polmar & Allen, 1981). This branch became a separate elite nuclear establishment in control de facto by 1980 of one-third of the U.S. naval fleet! Rickover formed this counterestablishment for his self-satisfaction and to coincide with his personal views of what was wrong with the U.S. Navy's values and practices, in general, and the Naval Academy at Annapolis, in particular. His manufactured culture included horrendous stress interviews that were of questionable validity for applicants, generally favoring graduates of NROTC rather than of the academy. Discipline was extreme, focused on overlearning and dedication. There was an intense emphasis on both detailed direction and the practice of management by exception, which involved the bypassing of channels and weekly reports written personally to Rickover. There was an unrelenting pressure to work and study. Rickover, himself, set the workaholic pace in a Spartan office with Spartan lunches. He was almost always in civilian dress. Expertise took precedence over rank, and specialization, over general management.

As civilian chief of the Naval Reactors Branch of the Atomic Energy Commission and later, of the Department of Energy and the U.S. Navy's chief for nuclear propulsion, Rickover was the nuclear organization's network center. For two decades after he would have been retired by the U.S. Navy, he maintained his power, authority, and budget, bypassing the navy and going directly to Congress. Although experiments with nuclear reactors for propulsion preceded him, he made himself the mythological originator. He rejected cost considerations in the decisions over whether to build nuclear or conventional fleets. Only nuclear submarines and surface vessels were valued. The result of all this was a large first-rate, nuclear navy, built at the expense of a larger, possibly more nationally useful, con-

ventional fleet. A higher price was paid in financial and human costs than was necessary. The human costs were evidenced ultimately in the failure to maintain a sufficient number of volunteers for the nuclear submarine fleet (Polmar & Allen, 1982).

Promoting Changes in the Dominant Culture

But one does not have to construct a counterculture to improve the existing culture. The issue to which top management is particularly sensitive is the leadership required for managing organizational change in its culture. Such change is necessitated by new marketing requirements, new technologies, and new kinds of personnel (Bass, 1985a; Bennis & Nanus, 1985).

Leavitt (1986) and Tichy and Devanna (1986), among others, provided book-length advice, consistent with research results about transformational leaders, on how to accomplish the needed changes in the organizational culture. It is essential for top management to articulate the change that is required. The message may be of a vision that entails *directive* and persuasive leadership; it may permit modifications and contributions from others. Changes, consistent with the message, are introduced in the structure, processes, and practices, and sufficient participation is encouraged to generate commitment, loyalty, and involvement, accompanied by full two-way communication with adequate feedback loops. Desired role and behavioral models of leadership begin at the top and are encouraged at each successive level below. Furthermore, leaders who are concerned about organizational renewal will seek to foster organizational cultures and climates that are hospitable and conducive to creativity, problem solving, risk taking, and experimentation. Kane (1984) described how the General Electric culture was changed in this way by the transformational leadership of Jack Welch. First, there was articulation of the changes that were desired. Next, the necessary changes in structure, processes, and practices were made and were widely communicated. Finally, new role and behavioral models were established.

According to Wilkins and Bristow (1987), when trying to promote cultural changes in an organization, say to shift it from a service to a market orientation, such as occurred in A T & T, leaders should first honor the past, returning to it for inspiration and instruction and

identifying past objectives, principles, and still-successful approaches that will be maintained. As Gardner (1988b, p. 6) pointed out, "Leaders must understand the interweaving of continuity and change . . . in long-term purposes and values." Promotions should be made to ensure that these older values can survive despite the oncoming changes. Ceremonial events are needed to mourn the loss of the cherished past. Finally, changes should be organic, developing out of new ways that are already desired and providing reinforcement for new incremental efforts that are attempted and successful.

Organizational Culture and Manipulation by Management. Mitchell (1985) contrasted the values explicit in two empirical studies of successful enterprises. One was Peters and Waterman's (1982) *In Search of Excellence*, which identified 62 firms that had a history of growth, economic success, and innovativeness over a 25-year period.¹⁴ The other was Levering, Moskowitz, and Katz's (1984) *The 100 Best Companies to Work for in America*. These were the 100 companies that employees said they liked to work for. Only 21 of the 100 best-liked firms showed up among the 62 excellently managed companies mentioned by Peters and Waterman. Peters and Waterman considered the management of the task-effective culture to be manipulative. That is, in such a culture people are valued not for themselves but as being instrumental to productivity. Employees' values are shaped to increase their commitment to productivity, the institution, and the maintenance of the work ethic. The manipulation is not done through conviction but through myths, fables, and fairy tales about values that the management itself does not necessarily believe in. As Mitchell (1985, p. 353) stated:

Peters and Waterman say: "all the companies we interviewed [from Boeing and McDonald's] were quite simply rich tapestries of anecdote, myth and fairy tale" (p. 75). . . . the great leader "is concerned with the tricks of the pedagogue, the mentor, the linguist, the more successfully to become the value shaper, the exemplar, the making of meanings" (p. 82).

¹⁴The excellently managed firms actually do not appear to provide greater returns on investment to shareholders than do their less well-managed counterparts. However, they do seem to be less risky investments in that the price of their stocks is less variable (Simpson & Ireland, 1987).

In contrast, many of the 100 best companies to work for, according to their employees, stressed more truly relations-oriented values, such as making employees feel they were part of a team or family, encouraging open communication, encouraging suggestions, promoting from within, enabling people to feel pride in their products or services, sharing profits, reducing social distance, making the workplace as pleasant as possible, encouraging the employees' participation in community service, matching employee savings funds, avoiding layoffs whenever possible, showing concern for the employees' health, and providing training and the reimbursement of tuition.

Specific policy statements about these values were found among many of the 100 best-liked firms. For instance, Apple Computer stated that employees should be able to trust the motives and integrity of their supervisors. Armstrong declared that management should respect the dignity and inherent rights of the individual, maintain high moral and ethical standards, and reflect honesty, integrity, reliability, and forthrightness. According to the policy statements of Doyle, Dane, & Bernbach, employees and the firm may refuse to work on advertising accounts for ethical reasons or on accounts that may have negative effects on the public. Other firms focused on statements about the need for mutual trust and respect (Moog); honesty (Rolm); and dignity, fairness, kindness, and the professional treatment of all individuals and organizations with whom they work (Celestial Seasonings).

Mitchell (1985) concluded that what seems to be the best-managed firms may be different from those for whom employees most like to work. The management of the former creates a culture, with its symbols and myths, to get employees to work harder and better; the management of the latter seems genuinely to care about the quality of the experience of everyone in the firm. In the former, management may practice consideration but really believe in exploitation; in the latter, a truer concern for others is seen in their employees' evaluations.

The Effects of the Organization's Culture on the Leader

Schein (1985) suggested that culture manages management more than management manages culture. For in-

stance, a strong organizational culture, with values and internal guidelines for more autonomy at lower levels, can prevent top management from increasing its personal power at the expense of middle management (Rubin & Berlew, 1984).

Trice and Beyer (1984, p. 666) noted that

managers need to learn to . . . assess not only the technical consequences of any activities and programs, but also their possible ceremonial, expressive consequences. . . . Also, they need to learn and practice effective ceremonial skills. Some flair for the dramatic and the ability to be expressive in speech, writing, and gestures could be an asset in meeting the ceremonial requirements of managerial roles.

Managers particularly need to attend to the conservativeness, reflected in rites and ceremonials, that can hinder efforts to change the organization. They need to modify the rites and ceremonials, when it is possible to do so, to fit with the desired new directions for the organization. They can invent new rites to replace the old, some of which symbolize the value of change itself (Hedberg, Nystrom, & Starbuck, 1976). One example is the ceremonial introduction of a new product or process to replace an older one.

Lombardo (1983) described three corporations, A, B, and C, each of whose different cultures (highly task oriented, highly pragmatic, and highly considerate of others) resulted in the development of parallel differences among their respective managers. In the same way, Roberts's (1986) survey of the styles used by 350 business managers and university administrators with their subordinates, peers, and bosses described earlier found that managers in Type Z organizations (Japanese-style organizations) were less likely to be directive than were their counterparts in Type A (authoritarian, top-down organizations).

Effects of Clan and Market Cultures. Kerr and Slocum (1987) identified two types of corporate reward systems that give rise to two different cultures—clan and market—and characteristically different leadership experiences. Table 26.3 details the characteristics of the clan and market cultures. In the clan culture, one's superior defines and evaluates, usually subjectively, one's managerial performance. There is promotion from within, often connected with one's need for fur-

Table 26.3 Contrasting Organizational Cultures

Aspect of the Culture	Type of Culture	
	Clan	Market
Relationship of the Individual and the Organization	Fraternal Long-term commitment Mutual interests; shared fate Hierarchical	Contractual Short-term commitment Self-interests, utilitarian Depends on the contract
Relationship among Organizational Members	Price in membership Interdependence Identification with peers Pressure to conform Stress on teamwork	Independence from peers Limited interaction Little pressure to conform Stress on individual initiative
Process of Acculturation	Long socialization. Superiors are mentors, role models, and agents of socialization. The "rich" normative structure governs a wide range of behaviors.	Little socialization. Superiors are distant; are negotiators and allocators of resources. The "lean" normative structure governs few behaviors.

SOURCE: Adapted from Kerr and Slocum (1987, pp. 102 and 104).

ther development. People are expected to do more than just what is agreed in contracts. Loyalty to the organization is exchanged for commitment to it (Ouchi, 1981).

A contrasting market culture develops from a performance-based contingent-reward system. One's role is specifically defined and evaluated by objective, financial outcomes. There is much less need for superior-subordinate interaction or concern for the subordinates' socialization and development. Presumably, the clan culture provides more potential for transformational leadership and the market culture, for transactional leadership.

Effects of Kibbutz Ownership. The effects of the culture of kibbutzim on their top officials' leadership of firms that the kibbutzim owned as cooperatives was contrasted with the leadership of counterpart publicly and privately owned business firms by Chitayat and Venezia (1984). It was found that among a sample of 224 Israeli senior executives, the business executives were more *directive*, negotiative, and delegative and less *participative* than were the general managers of firms owned by the kibbutzim. They also had relatively greater power and were more assertive, but they did not differ from the executives of the kibbutzim-owned

firms in the amount of consultation they did or how well informed they were.

Instrumentality and Expressiveness in the Culture. Santner (1986) used the High School Characteristics Index to describe two schools, one with a low instrumental, low expressive school climate and the other with a high instrumental, high expressive school climate,¹⁵ to show the different effects of the two climates on the character of those who emerged as student leaders in the two situations. In the low instrumental, low expressive school, personality-tested dominance and friendliness discriminated the formal leaders of official school groups as well as the informal leaders whom their peers distinguished from the non-leaders. In addition, in this low instrumental, low expressive school, highly achievement-oriented girls were most likely to be the formal leaders and lower achievement-oriented boys were more likely to be the informal leaders. But, in the high instrumental, high expressive school, tested dominance was the only significant

¹⁵A highly instrumental climate is one in which rewards are contingent on the appropriate performance of subordinates and means are more important than ends. In an expressive climate, there is more spontaneity, more actions based on sentiments and feelings rather than on carefully thought-out means to ends.

factor that differentiated the leaders from the non-leaders.

Summary and Conclusions

How the leader and subordinates relate to each other within the group depends on societal influences, real outside relationships, and reference groups in the minds of both. For example, leaders who see economic externalities as most important tend to be more directive, but leaders who believe social or political influences from the outside to be more important tend to be more participative.

The surrounding organization and its policies, size, structure, and culture are of particular consequence to leader-subordinate interactions. Although the organization and its culture influence what is expected of the leaders and what they will do, the leaders in turn, shape their organizations and culture to fit their needs. The leader's discretionary and nondiscretionary behavior depends on organizational and environmental considerations. But equally important is the immediate group in which the leadership occurs—the subject that is discussed next.